

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

* * * * *

In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE)	
COMMISSION OF THE APPLICATION OF THE)	
FUEL ADJUSTMENT CLAUSE OF MEADE COUNTY)	CASE NO. 8076
RURAL ELECTRIC COOPERATIVE CORPORATION)	
PURSUANT TO 807 KAR 5:056E, SECTIONS)	
1(11) AND (12))	

O R D E R

Pursuant to 807 KAR 5:056E, Sections 1(11) and (12), and following proper notice, a hearing was held on January 29, 1981, to review the operation of the standard fuel adjustment clause to determine the amount of fuel cost that should be transferred to the base rates of the utility and to re-establish the fuel adjustment charge.

The Commission in Case No. 8054 has approved a request by the Applicant's wholesale supplier, Big Rivers Electric Cooperative Corporation (BRECC), to transfer (roll-in) to the base rates charged the Applicant, fuel cost in the amount of .260¢ per KWH. The granting of BRECC's request requires that the Applicant be authorized to transfer these fuel costs to its base rates.

As a part of this review the Commission has analyzed monthly filings made by the Applicant in conjunction with the schedule of over- or under-recoveries of fuel cost filed in this proceeding. The Commission's review indicates the monthly report should be revised in order to obtain a more accurate measure of under- or over-recovery of fuel cost shown in that report.

The Commission after review FINDS:

(1) That the Company's wholesale supplier, BRECC, has been authorized to transfer to its base rates in Case No. 8054 fuel cost of .260¢ per KWH.

(2) That an amount of .282¢ per KWH should be added to the rates charged customers in order to transfer, to Applicant's base rates, the fuel cost transferred by BRECC from the fuel adjustment clause rate to the base rates pursuant to Commission Order in Case No. 8054.

(3) That the revised rates and charges set out in Appendix "A" of this Order are designed only to reflect the transfer to base rates of fuel cost which is currently being recovered through the fuel adjustment clause rate.

(4) That the transfer of fuel costs to the Applicant's base rates will not result in any additional net margin to the Applicant.

(5) That this transfer of fuel cost is most reasonably and practically accomplished by an energy adder to each KWH sold.

(6) That revisions should be made in the monthly report currently being filed by the Applicant.

IT IS THEREFORE ORDERED, that Meade County Rural Electric Cooperative Corporation is hereby authorized to transfer to base rates fuel cost transferred by its wholesale supplier, BRECC, in Case No. 8054.

IT IS FURTHER ORDERED, that the rates set out in Appendix "A" shall be placed into effect for service rendered on and after April 1, 1981, which is the same effective date approved for BRECC.

IT IS FURTHER ORDERED, that the Applicant shall file within twenty (20) days from the date of this Order its revised tariff sheets setting out the rates and charges approved herein.

IT IS FURTHER ORDERED, that the revised monthly report, Appendix "B" to this Order, shall be used by the Applicant for all filings made after the date of this Order under 807 KAR 5:056E to recover or refund fuel charges or credits billed or refunded by its wholesale supplier.

Done at Frankfort, Kentucky, this 13th day of March, 1981.

PUBLIC SERVICE COMMISSION

Marlin M. Voh
Chairman

Katherine Randall
Vice Chairman

Don Carrigan
Commissioner

ATTEST:

Secretary

APPENDIX "A"

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE COMMISSION IN CASE NO. 8076 DATED MARCH 13, 1981.

The following rates and charges are prescribed for the customers in the territory served by Meade County Rural Electric Cooperative Corporation. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the date of this Application.

Monthly Rates:

Rate Schedule "1"

Residential, Farm and Non-Farm, Schools & Churches*

First	30 KWH per month or less (minimum bill)	\$ 4.63	
Next	70 KWH per month	7.5634¢	per KWH
Next	200 KWH per month	4.9234¢	per KWH
Next	700 KWH per month	4.0183¢	per KWH
Over 1,000	KWH per month	3.6732¢	per KWH

Rate Schedule "2"

Commercial Rate*

First	30 KWH per month or less (minimum bill)	\$ 4.63	
Next	70 KWH per month	8.2472¢	per KWH
Next	400 KWH per month	5.4882¢	per KWH
Next	500 KWH per month	5.1472¢	per KWH
Over 1,000	KWH per month	4.4701¢	per KWH

Rate Schedule "3"

General Service, 0-49 KVA*

Energy Charge

First	30 KWH per month or less (minimum bill)	\$ 4.63	
Next	70 KWH per month	8.1313¢	per KWH
Next	400 KWH per month	5.3693¢	per KWH
Next	500 KWH per month	5.0302¢	per KWH
Over 1,000	KWH per month	4.3392¢	per KWH

Demand Charge

First	10 KW of billing demand per month	No charge
Excess above 10 KW of billing demand per month		\$2.17

Rate Schedule "4"

Large Power Service, Over 50 KVA*

\$2.17	per month per KW of billing demand plus energy charge of:
4.6400¢	per KWH for the first 100 KWH used per month per KW of billing demand
4.1169¢	per KWH for the next 100 KWH used per month per KW of billing demand
3.8999¢	per KWH for the next 100 KWH used per month per KW of billing demand
3.7819¢	per KWH for all remaining KWH used per month

*The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per KWH determined in accordance with the "Fuel Adjustment Clause."

Rate Schedule "5"

Outdoor Lighting Service Individual Consumers*

175 Watt Mercury Vapor	(70 KWH/Light)	\$5.45 per month
400 Watt Mercury Vapor	(156 KWH/Light)	7.09 per month
400 Watt Mercury Vapor Flood Light	(156 KWH/Light)	7.84 per month

Rate Schedule "6"

Street Lighting Service - Community, Municipalities, and Towns*

175 Watt Mercury Vapor	(70 KWH/Light)	\$4.70 per month
400 Watt Mercury Vapor	(156 KWH/Light)	6.34 per month
400 Watt Mercury Vapor Flood Light	(156 KWH/Light)	6.94 per month

*The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per KWH determined in accordance with the "Fuel Adjustment Clause."

COMPANY _____

POWER SUPPLIER _____

APPENDIX B
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Purchased Power - Month of: _____

Disposition of Energy (KWH)-Month of: _____

1. Fuel Adjustment Charge (Credit):
a. Billed by Supplier \$ _____

9. Total Purchases for the Month: _____

b. (Over) Under Recovery on L20 _____

10. Sales (Ultimate Consumer) _____

c. Unrecoverable - Schedule 1 _____

11. Company Use _____

d. Recoverable Fuel Cost (L1a
+ L1b minus 1c) _____

12. Total Sales (L9 + L10) _____

2. Number of KWH Purchased _____

13. Line Loss and Unaccounted For
(L9 Less L12) _____

3. Supplier's FAC:

Under or (Over) Recovery

a. \$ Per KWH (L1a ÷ L2) _____

14. Last Distributor FAC Rate Billed
to All Cycles _____

b. ¢ Per KWH (L3a x 100) _____

15. Gross KWH Billed at the Rate on L14 _____

4. Sales as a Percent of Purchases
(100% less percentage on L6) _____

16. Adjustments to Customer Bills (KWH) _____

5. Calculation of Distributor's FAC:

17. Net KWH Billed at the Rate on L14
(L15 Less L16) _____

a. Recovery Rate \$ Per KWH
(L1d ÷ L2) _____

b. FAC \$ Per KWH (L5a ÷ L4) _____

18. FAC Revenue (Refund) Resulting
From the Rate on L14 _____

c. ¢ Per KWH (L5b x 100) _____

19. Fuel Charge (Credit) Used to
Compute the Rate on L14 _____

Line Loss

20. Total (Over) Under Recovery
(L18 Less L19) _____

6. Twelve Months Average (%) _____

7. Last Month Used to Compute L6 _____

8. Line Loss for Month on L7 (%) _____

5c above reflects a Fuel Adjustment Charge (Credit) of _____ ¢/KWH to be applied to bills rendered on and after _____, 19____. Date of Issue _____, 19____. Issued by _____.

Title _____

Address _____

Telephone Number _____

CALCULATION OF UNRECOVERABLE FUEL COST
DUE TO EXCESSIVE LINE LOSS
FOR THE MONTH ENDED

- | | |
|--|-------------------|
| 1. Purchases For the Month (KWH) | |
| 2. Less Line Loss (10% X L1) | _____ |
| 3. Sales (L1 less L2) | |
| 4. Unrecoverable Fuel Charge Per KWH: | |
| a. FAC Rate based on Actual Line Loss
(Current Month's Report L3a ÷ (100% Less L6) \$ | |
| b. FAC Rate based on 10% Line Loss
(Current Month's Report L3a ÷ 90%) _____ | |
| c. Increment unrecoverable | \$ _____ |
| 5. Unrecoverable Fuel Cost -L4c X L3 carry to Line
1b of current months report) | \$ _____
_____ |

Note: This schedule is to be filed for each month that the 12 month average Line Loss exceeds 10% and the amount billed by the supplier is a charge. This schedule is not to be filed if the amount billed by the supplier is a credit.